




**124TH SESSION OF THE INTERNATIONAL COFFEE
COUNCIL HELD AT KENYATTA INTERNATIONAL
CONFERENCE CENTRE (KICC) NAIROBI
25TH – 29TH MARCH 2019**

**Kenya Coffee Proposed Policies
Reform Agenda
Prof Joseph Kieyah JD PhD EBS
KICC, Nairobi
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OVERVIEW




- What is status of coffee sub-sector?
 - Problem statement
 - Findings
 - Recommendations
- What are Key interventions
- Take aways




NATIONAL TASKFORCE ON COFFEE SUBSECTOR REFORMS





- Paradox: High prices and low production
 - Why: Market failure and Policy ineffectiveness
 - Justification:
 - anchor of sustainable development
 - enabler of the “big four”
 - Solution: Supply & demand response

FINDINGS



- Complex coffee industry structure
- Weak enforcement
- High production and processing costs
- Coffee farmers’ cash flow problems
- Farmers are in darkness
 - principal/agent problem
- Weak Institutional framework
- Kenyan coffee is like Mercedes marketed as tuk tuk
- Odious Debts
- Weak intergenerational link



RECOMMENDATIONS



- **Farmer-centric Reforms**
 - **Pillar 1: Legal Reforms**
 - **Objective:** To protect farmers' property rights
 - **Pillar 2: Coffee Subsidy Programs**
 - **Objective:** Reduce production costs
 - **Pillar 3: Cherry Advance**
 - **Objective:** address cash flow problems
 - **Pillar 4: Modernization of NCE**
 - **Objective:** Enhance transparency





RECOMMENDATIONS.....



- **Pillar 5: Promote Youth Participation**
 - **Objective:** Strengthen Intergenerational link
- **Pillar 6: Institutional support**
 - **Objective:** strengthen regulatory enforcement
- **Pillar 7: Market Kenyan Coffee**
 - **Objective:** Increase market share
- **Pillar 8: Audit Debts and Debt Waivers**
 - **Objective:** Free the farmers from odious debt






TAKE AWAYS

- Priorities
 - Coffee (general) regulations 2019
 - Forensic Audit for Cooperatives
 - Increase coffee production
 - National Development & Marketing Coffee Strategy
 - Youth & women agenda
 - Enhanced visibility- “Kenya is Back”



THANK-YOU

PROF JOSEPH KIEYAH JD PHD EBS
CHAIRMAN, COFFEE SUB-SECTOR
IMPLEMENTATION COMMITTEE
EMAIL: jkieyah@gmail.com